

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED)
GAS ADJUSTMENT FILING OF) CASE NO. 6741-G
CAPITOL OIL COMPANY, INC.)

O R D E R

On February 21, 1978, the Commission issued its Order in Case No. 6741 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On May 22, 1985, Capitol Oil Company, Inc., ("Capitol"), formerly Capitol Oil and Gas Company, notified the Commission that its wholesale cost of gas would be increased by two of its suppliers effective on and after May 1, 1985, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Capitol's wholesale cost of gas was increased by its supplier Panbowl Production Company, Inc., in the amount of \$0.32 per Mcf.

(2) Capitol's wholesale cost of gas from its supplier Capitol Producing was increased \$0.06 per Mcf.

(3) Capitol's notice of May 22, 1985, set out certain revisions in rates which Capitol proposed to place into effect on and after June 11, 1985, said rates being designed to pass on the overall wholesale increase in gas cost in the amount of \$55,090.

(4) Capitol's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 6741 dated February 21, 1978, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after June 11, 1985.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after June 11, 1985.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Capitol shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 6th day of June, 1985.

PUBLIC SERVICE COMMISSION

Richard D. Demery Jr.
Chairman

Richard L. Sperry
Vice Chairman

Sam Shuck
Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 6741-G DATED JUNE 6, 1985

The following rates and charges are prescribed for the customers served by Capitol Oil and Gas Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATES: Monthly

First 2 MCF	\$4.65 per MCF
Over 2 MCF	4.65 per MCF

The minimum monthly charge is \$5.00 which entitles the customer to less than 2 MCF of gas.

The base rates for the future application of the purchased gas adjustment clause of Capitol Oil and Gas Company shall be:

	<u>Demand</u>	<u>Commodity</u>
Holly Creek Production Corporation	—	\$ 0.45 per MCF
Panbowl Production Company	—	4.08 per MCF
Capitol Producing	—	3.48 per MCF